

Regional investment climate assessment

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Abstract

To date, one of the main problems for the Russian regions is to attract investments that significantly affect supporting, functioning and dynamic development of regions. At the same time, the most important prerequisite of this process is creation of a favorable investment climate. The article presents an analysis of the investment climate in 60 regions of the Russian Federation on the basis of an assessment of the investment potential and investment risk in the period from 2010 to 2013. The choice of indicators was considerably influenced by the availability of statistics for the analyzed period for all regions of the Russian Federation, as their use helps to get a more objective data and expands the opportunities for inter-regional comparisons. Sub-aggregate indices are calculated and regions-leaders and "outsiders"-are identified for each estimated parameter. The study showed that there is no one region which would hold the first place in all investment potential blocks. However, it is possible to select the Moscow region which took a leading or second place by its investigated indicators. Thus, we can say that the Moscow region has the best investment potential among the regions studied. Evaluation of sub-aggregate indices by investment risks has shown that there are regions-leaders and regions-"outsiders" in each block. At the final stage of the study, the studied regions were divided into 4 groups based on the relationship of investment potential and investment risk in the regions in the period from 2010 to 2013: • 1st group-regions with high investment potential and a low level of investment risk; • 2nd group-regions with high investment potential and a high level of investment risks; • 3rd group-regions with low investment potential and a low level of investment risk; • 4th group-regions with low investment potential and a high level of investment risk. Analysis of the dynamics for 4 years showed that only 6 of those 60 regions changed their position in relation to the groups and, basically, it was a negative dynamics: either investment risks increased, or investment potential of regions decreased.

Keywords

Dynamics of investment-driven development, Investment climate, Investment potential, Investment risk, Regional management